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June 22, 2005

Ref. 147-20864

Hon. James H. Welsh
Commissioner of Conservation
Office of Conservation
P. O. Box 94275
Baton Rouge, LA 70804-4275

Re: Application for Authority to Commingle Gas and Liquid Hydrocarbons
W-8 Commingling Facility (91574)
Burrwood Field
Plaquemines Parish, Louisiana
Statewide Order 29-D-1

Dear Mr. Commissioner:

Application is hereby made for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order approving the commingling in the Burrwood W-8 Commingling Facility CF (91574) of gas and liquid hydrocarbons produced from the commingled properties listed herein located in the Burrwood Field.

This application requests the addition of one new unit, namely the 10,500 RA SUA (Order No. 850-A) to the leases and units previously approved for commingling by Order No. 850-1 dated June 5, 1995. Goodrich Petroleum Company, L.L.C. requests that it be authorized to use well tests for allocation of production as was authorized for the previous leases and units into the W-8 CF (91574) in compliance with the provisions of Statewide Order No. 29-D-1.

Enclosed herewith please find the following:

1. diagrammatic sketch of the mechanical installation used;

2. detailed explanation of the flow of gas and/or other liquid hydrocarbons;

3. list of interested parties;

4. statement of the applicant regarding accuracy and equity regarding the use of well tests for the allocation of production in the manner proposed; and

5. check in the amount of $755.00 to cover the costs of the application.

If you have any questions or comments, please do not hesitate to contact me.

Very truly yours,

Gregory G. Duplantis

GGD:agl
Enclosures

cc: Mr. Todd Keating
Mr. Darrell Knight
Interested Party List

Description of Proposed Process Flow Modifications to
W-8 Commingling Facility (91574),
Burrwood Field, Plaquemines Parish, Louisiana
Operated by Goodrich Petroleum Company, L.L.C.

By Order No. 850-1 dated 5 June 1995, the State of Louisiana approved the current measurement, surface commingling, and production allocation plan for the gas and liquid hydrocarbons processed in the W-8 Commingling Facility (91574) located along the right descending bank of the southwest pass of the Mississippi River in the Burrwood Field, Plaquemines Parish, Louisiana. Order No. 850-1 authorized allocation of production to the individual wells based on periodic well tests in accordance with Paragraph 6 of Statewide Order No. 29-D-1.

Goodrich Petroleum Company, L.L.C. (Goodrich) as current operator of the W-8 Commingling Facility (91574), previously received approvals to modify the approved surface commingling order to include the gas and liquid hydrocarbon production from additional sources operated by Goodrich and the liquid hydrocarbon production from West Delta Block 84 Field operated by I.G. Petroleum, L.L.C. (IGP).

Goodrich submits this application to request surface commingling of the 10,500' RA SUA in the W-8 Commingling Facility (91574). The 10,500' RA SUA unit was created by Office of Conservation unit Order No. 850-A. GDP's SL 1922 No. B-3 well was producing as a lease well in the 10,500' sand and was approved for surface commingling in the W-8 Commingling Facility (91574). No new production or wells are being delivered to the W-8 Commingling Facility (91574).

Surface Commingling

In general, all well streams produce to production headers located at the facility. The well streams can be commingled at the production headers for delivery to either a bulk separation system or isolated in a test separation system. Both the bulk and test separation systems contain the necessary equipment to separate and meter the liquid hydrocarbons, gaseous hydrocarbons, and water production.

The gaseous hydrocarbons are separated from the liquids, metered for well test purposes, compressed, dehydrated, and metered prior to delivery to the gas sales pipeline, gas lift system, and the fuel system. The liquid hydrocarbons and produced water are separated from the gas in 3-phase separators and/or heater treaters. The liquid hydrocarbons are transferred to the oil storage tanks and are then pumped to the L.A.C.T. unit for metering prior to delivery to the barge sales facility. The produced water is delivered to a storage/process vessel for final polishing and is then injected into an approved salt water disposal well.

Goodrich was previously granted approval to commence barge sales of the liquid hydrocarbons from this facility and to commingle the liquid hydrocarbons from IGP's West Delta Block 84 Field. Goodrich and IGP meter the liquid hydrocarbons with existing L.A.C.T. units prior to commingling in a jointly owned flowline and storage barge. A third party transports the oil from the storage barge and delivers it for sales to a marine terminal in the region. The liquid hydrocarbons will be gauged at the marine terminal facilities to determine the volume for sales and royalty purposes.

The West Delta Block 84 facilities are similar to those utilized on the W-8 Commingling Facility. IGP currently has only one producing well, OA A0232 No. 18 (SN 167657). The liquid hydrocarbons to be commingled with the W-8 Commingling Facility are pumped from the oil storage tanks to the West Delta Block 84 L.A.C.T. unit and then transported via flowline to the interconnect with the jointly owned flowline and storage barge. No gaseous hydrocarbons and water from this facility are approved for commingling in the W-8 Commingling Facility (91574).

Production Allocation

At least twice per month, each well will be individually flow tested by segregating the well's flow stream into a 2-phase high pressure separator and/or 3-phase low pressure separator/heater treater system. Formation gas will be determined by metering the gas separated from the well stream and when applicable, subtracting the metered gas lift volume injected into the well. The liquid hydrocarbons and water will be separated and individually measured with turbine meters located on the outlets from the 3-phase low pressure separator/heater treater system.

The liquid hydrocarbon well test rates will be adjusted for both BS&W and a flash shrinkage factor to correct the rates to stock tank (dead oil) conditions. The flash shrinkage factors will be determined semi-annually. BS&W will be determined bi-monthly. These factors will be determined more frequently if dictated by changing well conditions.

The total theoretical production for a well during a calendar month will be determined by summing the products of the well test rates by the duration of flow at the corresponding well test rate. This calculation will include adjustments for shut in or down time periods.

The total formation gas production will be the sum of the metered gas volumes from the sales meter, fuel meter, and the vent/flare meter. The gas sales volumes attributable to each well will be based on each well's proportional fraction of the total theoretical gas production less the well's proportional fraction of the gas volumes consumed as fuel and vented/flared.

The total liquid hydrocarbon sales will be the difference between the opening and closing stocks in the oil storage barge plus any volumes delivered to and gauged at the marine terminal facilities. The fraction of liquid hydrocarbon sales attributable to each facility will be based on that facility's proportional fraction of the total L.A.C.T. metered volumes.

W-8's proportional fraction of the total liquid hydrocarbon sales will be allocated to the individual wells proportionately based on each well's fraction of the total liquid hydrocarbon theoretical production. The total water production will be allocated to the individual wells proportionately based on each well's fraction of the total water theoretical production.

Measurement

A third party representative will prove the gas and liquid hydrocarbon sales meters monthly in accordance with Statewide Order No. 29-D-1.

The gas and liquid hydrocarbon allocation meters will be proven periodically in accordance with industry standards published in Chapter 20 – Allocation Measurement, Manual of Petroleum Measurement Standards, First Edition, September 1993, American Petroleum Institute.

Royalty

Royalty for gas production will be based on the total sales volume, as measured through the 3" Daniel Sr. orifice meter prior to delivery to Tennessee Gas Pipeline Company's system.

Royalty for liquid hydrocarbon production will be based on the total liquid hydrocarbon sales as gauged at the marine terminal facilities.

Current Units and Leases Approved For Commingling In W-8 Commingling Facility (91574)

BURR 6900 L2 RA NVU	(523836)
BURR 6900 L2 RC NVU	(042435)
BURR 6900 L2 RD NVU	(043745)
BURR T RA SU	(528473)
BURR 9100 RB NVU	(533154)
VUA	(513193)
VUC	(511842)
SL 1922	(516195)
SL 2565	(512286)
SL 2566	(504173)
VUG	
OA A0232	

This application proposes the addition of the following leases/units:

10,500' RA SUA (Order No. 850-A) (75554)

EQUITY STATEMENT

Goodrich Petroleum Company, L.L.C. believes the commingling of natural gas and/or liquid hydrocarbons, with continuous metering of each well for the purpose of allocation of production, will provide reasonably accurate measurement, will not create inequities, and will provide the owner of any interest the opportunity to recover his just and equitable share of the reservoir content.

CALIBRATION STATEMENT

Gas Orifice Meters:

Goodrich shall calibrate all orifice meters for gas allocation, including the Field Sales Meter, at least quarterly. Calibration checks will be performed as per the latest AGA Standards for orifice meters. The Gas Sales Meter is maintained and calibrated by the purchasing pipeline company.

Oil Turbine Meters:

Goodrich shall calibrate all turbine meters used for liquid hydrocarbons monthly. Said calibration will be performed either by "shop" proving, with meters rotated into service monthly or where practical, by infield proving via master meter and proving loop.

Darrell H. Knight
Production Manager
Goodrich Petroleum Company, L.L.C.